



STATE OF WISCONSIN JOINT LEGISLATIVE COUNCIL

REPORT NO. 1 TO THE 1999 LEGISLATURE

LEGISLATION ON CAPTURE OF FEDERAL RESOURCES

- 1999 ASSEMBLY BILL 417, Relating to Requiring State Departments and Independent Agencies to Monitor Federal Programs and Identify Goals for State Capture of Federal Resources Under Those Programs
- 1999 ASSEMBLY BILL 418, Relating to the Establishment of a Federal Resources Web Site by the Department of Administration, State Assistance to School Districts and Local Law Enforcement Agencies in Capturing Federal Resources and Creating a Council on Capture of Federal Resources
- 1999 ASSEMBLY BILL 419, Relating to an Audit by the Legislative Audit Bureau on the Need to Increase the Personnel and Lobbying Activities of the State's Office of Federal-State Relations in Washington, D.C.

Legislative Council Staff
July 16, 1999

One East Main Street, Suite 401
Madison, Wisconsin

RL 99-1

JOINT LEGISLATIVE COUNCIL
REPORT NO. 1 TO THE 1999 LEGISLATURE*

LEGISLATION ON CAPTURE OF FEDERAL RESOURCES

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* This Report was prepared by Richard Sweet, Senior Staff Attorney, Legislative Council Staff.

PART I

**KEY PROVISIONS OF LEGISLATION; COMMITTEE
AND JOINT LEGISLATIVE COUNCIL VOTES**

**A. 1999 ASSEMBLY BILL 417, RELATING TO REQUIRING STATE DEPARTMENTS
AND INDEPENDENT AGENCIES TO MONITOR FEDERAL PROGRAMS AND
IDENTIFY GOALS FOR STATE CAPTURE OF FEDERAL RESOURCES UNDER THOSE
PROGRAMS**

- **State Agency Duties**

Requires state agencies to monitor the creation and reauthorization of federal programs within their jurisdiction, identify defensible dollar and percentage goals for Wisconsin's share of federal resources under those programs and make concerted efforts to reach those goals. The bill also requires the agencies to submit a biennial report on those activities to the Department of Administration (DOA) and requires DOA to prepare a biennial report on the activities. In addition, the bill requires the Legislative Audit Bureau (LAB) to report periodically on compliance with these requirements.

- **Votes**

By a mail ballot, dated March 23, 1999, the Special Committee on Capture of Federal Resources voted to recommend LRB-2972/2 (formerly WLCS: 0040/2), relating to requiring state departments and independent agencies to monitor federal programs and identify goals for state capture of federal resources under those programs by a vote of Ayes, 14 (Reps. Sykora and Jeskewitz; Sens. Grobschmidt and Farrow; and Public Members Baltz, Dueholm, King, Lewis, Potos, Reiland, Ridders, Schad, Shapiro and Walker); and Noes, 1 (Rep. Wood).

At its May 26, 1999 meeting, the Joint Legislative Council voted to introduce 1999 Assembly Bill 417 (LRB-2972/2) by a vote of Ayes, 16 (Sens. Risser, Chvala, Erpenbach, Grobschmidt, Robson and Rosenzweig; and Reps. Kelso, Bock, Foti, Freese, Huber, Jensen, Krug, Schneider, Seratti and Stone); Noes, 0; and Absent, 6 (Sens. Burke, Cowles, Ellis, George and Zien; and Rep. Gard).

**B. 1999 ASSEMBLY BILL 418, RELATING TO THE ESTABLISHMENT OF A FEDERAL
RESOURCES WEB SITE BY THE DEPARTMENT OF ADMINISTRATION, STATE
ASSISTANCE TO SCHOOL DISTRICTS AND LOCAL LAW ENFORCEMENT AGENCIES
IN CAPTURING FEDERAL RESOURCES AND CREATING A COUNCIL ON CAPTURE
OF FEDERAL RESOURCES**

- **Federal Resources Web Site**

Requires DOA to create and maintain a Web site to provide information on the availability of federal grants, procurement and service contracts, financial assistance, matching funds and

other federal resources to statewide and local industry, business and trade associations, local units of government, school districts and other educational institutions, private businesses, non-profit organizations, procurement assistance organizations and other interested persons. DOA is required to encourage the private sector, through statewide and local associations, to promote and publicize the Web site's existence.

- **State Assistance to School Districts and Local Law Enforcement Agencies**

Requires the State Superintendent of Public Instruction, within the limits of available resources, to provide assistance at the cooperative educational service agency (CESA) district level to school districts in identifying federal grants for which the school districts may be eligible and in applying for those grants, including the provision of training and grant writing. The bill similarly requires the Attorney General to provide such assistance to local law enforcement agencies.

The bill also increases a school district's revenue limit by the amount needed to meet any matching requirement under a grant awarded by the federal government if the grant is applied for after the effective date of the bill.

- **Council on Capture of Federal Resources**

Creates a nine-member Council on Capture of Federal Resources, the membership of which would include representatives of the Department of Public Instruction (DPI), the Department of Justice (DOJ), the University of Wisconsin (UW)-Extension, private businesses, nonprofit organizations, municipalities, school districts and procurement assistance organizations. The council is required to advise the Superintendent of Public Instruction and the Attorney General regarding their duties under the bill and to advise DOA on the content and operation of the Web site described above.

- **Votes**

By a mail ballot, dated March 23, 1999, the Special Committee on Capture of Federal Resources voted to recommend LRB-2973/3 (formerly WLCS: 0075/1), relating to the establishment of a federal resources Web site by the DOA, state assistance to school districts in capturing federal resources and creating a council on capture of federal resources by a vote of Ayes, 12 (Reps. Sykora, Jeskewitz and Wood; Sen. Grobschmidt; and Public Members Baltz, King, Lewis, Potos, Reiland, Schad, Shapiro and Walker); Noes, 2 (Sen. Farrow; and Public Member Dueholm); and Not Voting, 1 (Public Member Rikkens).

At its May 26, 1999 meeting, the Joint Legislative Council amended the Committee's draft by including the provision related to the Attorney General providing assistance to local law enforcement agencies and the provision relating to increasing a school district's revenue limit by the amount needed as matching funds for federal grants. After adopting those amendments, the Joint Legislative Council voted to introduce 1999 Assembly Bill 418 by a vote of Ayes, 15 (Sens. Risser, Chvala, Erpenbach, Grobschmidt, Robson and Rosenzweig; and Reps. Kelso,

Bock, Freese, Huber, Jensen, Krug, Schneider, Seratti and Stone); Noes, 1 (Rep. Foti); and Absent, 6 (Sens. Burke, Cowles, Ellis, George and Zien; and Rep. Gard).

C. 1999 ASSEMBLY BILL 419, RELATING TO AN AUDIT BY THE LEGISLATIVE AUDIT BUREAU ON THE NEED TO INCREASE THE PERSONNEL AND LOBBYING ACTIVITIES OF THE STATE'S OFFICE OF FEDERAL-STATE RELATIONS IN WASHINGTON, D.C.

- **Legislative Audit**

Requests the Joint Legislative Audit Committee to direct the LAB to conduct a performance evaluation audit of Wisconsin's Federal-State Relations Office in Washington, D.C., and make recommendations to enhance the state's ability to capture its "fair share" of federal resources in comparison with other states. The LAB would review the lobbying efforts of states that receive more in per capita federal spending than Wisconsin, including the size, budget, personnel and activities of their Washington, D.C. offices and whether those states use contract lobbyists.

- **Votes**

By a mail ballot, dated March 23, 1999, the Special Committee on Capture of Federal Resources voted to recommend LRB-2974/2 (formerly WLCS: 0024/2), relating to a study by a consultant to the DOA on the need to increase the personnel and lobbying activities of the state's Office of Federal-State Relations in Washington, D.C., and making an appropriation by a vote of Ayes, 12 (Reps. Sykora, Jeskewitz and Wood; Sen. Grobschmidt; and Public Members Baltz, King, Lewis, Reiland, Ridders, Schad, Shapiro and Walker); and Noes, 3 (Sen. Farrow; and Public Members Dueholm and Potos).

At its May 26, 1999 meeting, the Joint Legislative Council amended the draft recommended by the Committee to transfer the functions from a consultant contracted by DOA to the LAB. The Joint Legislative Council also deleted the \$100,000 appropriation for the consultant. After adopting this amendment, the Joint Legislative Council voted to introduce 1999 Assembly Bill 419 by a vote of Ayes, 15 (Sens. Risser, Erpenbach, Grobschmidt, Robson and Rosenzweig; and Reps. Kelso, Bock, Foti, Freese, Huber, Jensen, Krug, Schneider, Seratti and Stone); Noes, 0; and Absent, 7 (Sens. Burke, Chvala, Cowles, Ellis, George and Zien; and Rep. Gard).

PART II

COMMITTEE ACTIVITY

A. ASSIGNMENT

The Joint Legislative Council established the Special Committee on Capture of Federal Resources and appointed its chairperson by a June 24, 1998 mail ballot. The Special Committee was directed to study means by which the amount of federal funding or expenditures entering Wisconsin can be increased.

The membership of the Special Committee was appointed by a September 4, 1998 mail ballot. The membership (with changes that reflect two members of the Assembly leaving the Legislature, one of whom continued on as a public member of the Committee) was two Senators, three Representatives, 10 public members and one nonvoting agency member. A list of the Committee membership is included in **Appendix 2**.

B. SUMMARY OF MEETINGS

The Special Committee held five meetings at the State Capitol in Madison on the following dates:

October 14, 1998	January 20, 1999
November 18, 1998	February 26, 1999
December 16, 1998	

At the October 14, 1998 meeting, the Special Committee received testimony from Richard Chandler, Director, Division of Executive Budget and Finance, DOA, and Jeff Smith, Section Chief, Federal-State Relations, DOA. The two summarized the report prepared by DOA, entitled *Federal Funding in Wisconsin: A Comparative Perspective*. The report indicated that the Office of Federal-State Relations researched why Wisconsin ranks last in per capita federal spending and summarized Wisconsin's receipt of federal funds compared with the receipt of federal funds by similar-sized states. The reports summarized several of the reasons why Wisconsin does not rank higher in federal per capita spending and suggested ways for Wisconsin to improve its position in this regard.

The November 18, 1998 meeting was a public hearing at which the Committee received testimony from interested persons on means by which to increase receipt of federal funds in Wisconsin. The Committee heard from Dr. Earnestine Willis, MD, MPH, Associate Professor, Medical College of Wisconsin, and Director, Center for the Advancement of Urban Children, Milwaukee; Bill Bazan, Wisconsin Health and Hospital Association, Milwaukee; William Petasnick, President, Froedtert Memorial Lutheran Hospital, Milwaukee; Virginia Hinshaw, Dean of the Graduate School/Senior Research Officer, UW-Madison; Donald Kettl, Director, LaFollette Institute, UW-Madison; Brian Wilson, CESA No. 6, Oshkosh; Michael Boerger and Allen Vick, DPI, Madison; Tim Size, Executive Director, Rural Wisconsin Health Cooperative, Sauk City;

Sam Moore and Don Warnke, Department of Health and Family Services (DHFS), Madison; Peter Kilde, Executive Director, WestCAP and President, Wisconsin Community Action Program Association (WISCAP), Glenwood City; Ralph Steckman, Business Procurement Assistance Center, Madison Area Technical College, Madison; Michael Mahoney, Budget Director, Department of Workforce Development, Madison; Rod Clark, Department of Transportation, Madison; and Fred Moskol, Director, Wisconsin Office of Rural Health, Madison.

At the December 16, 1998 meeting, the Committee reviewed Memo No. 1, *Summary of Recommendations Offered for Committee Discussion*, which summarized the recommendations that were made either at the public hearing or by Committee members following the public hearing.

At the January 20, 1999 meeting, the Committee discussed Memo No. 2, which incorporated the suggestions that were set forth in Memo No. 1 and regrouped and reformatted the suggestions for the Committee's consideration. Based on the discussion, the Committee requested that staff prepare several drafts for the Committee's consideration at the following meeting.

At the February 26, 1999 meeting, the Committee completed its discussion of Memo No. 2 and reviewed four bill drafts that were prepared by Committee staff based on discussion at the previous meeting. Those drafts were: WLCS: 0024/1, relating to a study by a consultant to DOA on the need to increase the personnel and lobbying activities of the state's Office of Federal-State Relations in Washington, D.C. and making an appropriation; WLCS: 0040/1, relating to requiring departments and independent agencies to monitor federal programs and identify goals for state capture of federal resources under these programs; WLCS: 0046/1, relating to state assistance to municipalities and school districts in capturing federal resources and creating the Council on Capture of Federal Resources; and WLCS: 0053/1, relating to the establishment of a federal resources Web site by DOA. Two of the drafts, WLCS: 0046/1 and WLCS: 0053/1 were consolidated into WLCS: 0075/1. Both WLCS: 0024/1 and WLCS: 0040/1 were revised by the Committee and, along with WLCS: 0075/1, were submitted to Committee members for a vote by a mail ballot. As noted earlier in the report, the three drafts were subsequently approved by the Committee for recommendation to the Joint Legislative Council.

In addition to voting on bill drafts, the Committee directed the chairperson to write a number of letters to officials on the subject of Wisconsin's receipt of federal funds. Those letters were to: (1) Governor Tommy G. Thompson, relating to having Wisconsin work with similarly situated states in a concerted effort to obtain more favorable treatment under certain federal funding and reimbursement formulas; (2) Secretary Mark Bugher, DOA, relating to standardization of state grant application forms and streamlining the process for approval by the Governor of applications for federal funding; (3) Secretary Joseph Leean, DHFS, relating to making Medicare equity a state priority, expediting designation of health professional shortage areas and preparing a report on inequities of health benefits throughout the state; (4) Dr. Albert Beaver, Interim Chancellor, UW-Extension, requesting that the UW-Extension develop a program to assist municipalities and nonprofit organizations in identifying and applying for available federal grants; and (5) members of the Wisconsin Congressional Delegation and Schuyler Baab, Director of Wisconsin's Federal-State Relations Office in Washington, D.C., on the issue of

consolidation of federal programs, use of federal block grants, availability of coastal management funds for Wisconsin, subsidization of ethanol through general funds rather than reduced gasoline taxes and development of high-speed rail for the Midwest. (Copies of these five letters are included in **Appendix 3** to this report.)

C. STAFF MATERIALS AND OTHER MATERIALS

Appendix 4 lists all of the materials received by the Special Committee on Capture of Federal Resources. In addition to these listed materials, Legislative Council Staff prepared several bill drafts for the Special Committee and a summary of each of the Special Committee meetings. The following document, prepared by DOA, may be of particular interest to persons interested in the work of the Committee:

- *Federal Funding in Wisconsin: A Comparative Perspective* (May 1998).

PART III

BACKGROUND; DESCRIPTION OF BILLS

This Part of the Report provides background information on, and a description of, the bills recommended by the Special Committee on Capture of Federal Resources, as introduced by the Joint Legislative Council.

A. 1999 ASSEMBLY BILL 417. RELATING TO REQUIRING STATE DEPARTMENTS AND INDEPENDENT AGENCIES TO MONITOR FEDERAL PROGRAMS AND IDENTIFY GOALS FOR STATE CAPTURE OF FEDERAL RESOURCES UNDER THOSE PROGRAMS

1. Background

During its deliberations, the Special Committee discussed a number of roles for the state in capturing additional federal resources for Wisconsin, including obtaining greater resources at the state level and assisting local units of government, nonprofit organizations, businesses and others in obtaining additional federal resources. This bill focuses on state agency capture of federal resources.

2. Description of the Bill

Current law sets forth a number of duties for heads of all state departments and state independent agencies. (Independent agencies are specified boards and commissions that are not departments and are not attached to departments, such as the Public Service Commission and the Board of Regents of the UW System.) Assembly Bill 417 adds the requirement that each department and independent agency monitor the creation and reauthorization of federal programs within its jurisdiction, identify defensible dollar and percentage goals for Wisconsin's share of federal resources under those programs and make concerted efforts to reach those goals.

The bill requires that departments and independent agencies submit a written report on their activities in this regard to DOA by September 30 of each even-numbered year. DOA would be required to prepare a biennial report on the above activities of departments and independent agencies. This report would be submitted to the Legislature and the Governor by November 30 of each even-numbered year.

Finally, the bill requires the LAB to report periodically on the compliance by departments and independent agencies with the requirements of the bill.

B. 1999 ASSEMBLY BILL 418, RELATING TO THE ESTABLISHMENT OF A FEDERAL RESOURCES WEB SITE BY THE DEPARTMENT OF ADMINISTRATION, STATE ASSISTANCE TO SCHOOL DISTRICTS AND LOCAL LAW ENFORCEMENT AGENCIES IN CAPTURING FEDERAL RESOURCES AND CREATING A COUNCIL ON CAPTURE OF FEDERAL RESOURCES

1. Background

The Committee felt that an important state role in the capturing of additional federal resources was the provision of information to businesses, local units of government, nonprofit organizations and others regarding the availability of federal resources. This bill focuses on the state's role in that regard.

In addition to this bill, the Committee sent a letter recommending that the UW-Extension provide assistance to municipalities and nonprofit organizations in applying for available federal grants and other sources of federal funding and to assist them in applying for the funding, including training in grant writing.

2. Description of the Bill

Assembly Bill 418 requires DOA to create and maintain a Web site on the Internet to provide information on the availability of federal grants, procurement and service contracts, financial assistance, matching funds and other available federal resources to statewide and local industry, business and trade associations, local units of government, school districts and other educational institutions, private businesses, nonprofit organizations, procurement assistance organizations and other interested persons in this state. The Web site would: (a) serve as a statewide clearinghouse to obtain and exchange information on available federal funding and other resources; (b) increase public awareness of opportunities for contracts with the federal government and organizations in Wisconsin that can assist in facilitating such contracts; and (c) inform interested parties about organizations, programs and courses in Wisconsin that offer training and assistance in applying for federal funding and in grant writing skills.

The bill requires DOA to encourage statewide and local industry, business and trade associations and other organizations to promote and publicize the existence of the Web site.

The bill also requires the State Superintendent of Public Instruction, within the limits of available resources, to provide assistance through CESAs to school districts in identifying federal grants for which the school districts may be eligible and in applying for those grants, including the provision of training in grant writing. The Attorney General would also be required to provide such assistance to local law enforcement agencies. The bill requires the LAB to prepare periodic reports on compliance by the State Superintendent and the Attorney General with their duties under the bill.

The bill also increases a school district's revenue limit by the amount needed to meet any matching requirement under a grant awarded by the federal government for grants applied for after the bill's effective date.

Finally, the bill creates a nine-member Council on Capture of Federal Resources, which would include representatives of DPI, DOJ, the UW-Extension, private businesses, nonprofit organizations, municipalities, school districts and procurement assistance organizations. The council would be required to: (a) advise DOA on the content and operation of the Web site; and (b) advise the State Superintendent of Public Instruction and the Attorney General regarding their duties under the bill.

C. 1999 ASSEMBLY BILL 419, RELATING TO AN AUDIT BY THE LEGISLATIVE AUDIT BUREAU ON THE NEED TO INCREASE THE PERSONNEL AND LOBBYING ACTIVITIES OF THE STATE'S OFFICE OF FEDERAL-STATE RELATIONS IN WASHINGTON, D.C.

1. Background

Wisconsin's Office of Federal-State Relations is a small office in Washington, D.C. with responsibilities for monitoring legislation and administrative activities that affect Wisconsin, in addition to hosting visitors from the state. The Committee discussed increasing the staffing level in the Office of Federal-State Relations, but felt that it would be more appropriate to first have a consultant study ways to enhance the effectiveness of the office in lobbying the U.S. Congress and federal agencies for federal funds and changes in federal funding formulas. Committee discussion indicated that other states have substantially larger offices in Washington, D.C., and some states use contract lobbyists in influencing federal lawmakers and agencies.

A report prepared by DOA, *Federal Funding in Wisconsin: A Comparative Perspective*, discusses Wisconsin's receipt of federal funds. Based on U.S. Bureau of the Census data, Wisconsin ranks 50th among the states in per capita receipt of federal funds. The report discusses some of the reasons Wisconsin has a low ranking (e.g., a strong economy, a lack of major federal civilian or military facilities), but concludes that the state could do more to increase federal spending in Wisconsin.

2. Description of the Bill

Assembly Bill 419 requests the Joint Legislative Audit Committee to direct the LAB to conduct a performance evaluation audit of means to enhance the effectiveness of the state's Office of Federal-State Relations in lobbying the U.S. Congress and federal agencies for federal funds and changes in federal funding formulas and to make recommendations to enable the state to receive its "fair share" of available federal funding and other federal resources in comparison with other states. As part of the audit, the LAB would consider the lobbying efforts of other states with higher rankings in per capita federal spending than Wisconsin, including the size, budget, personnel and activities of their Washington, D.C. offices and whether those states use contract lobbyists in their efforts to capture federal resources. If the audit is undertaken, the LAB would file its findings and recommendations on or before January 1, 2001.

APPENDIX 1

JOINT LEGISLATIVE COUNCIL

s. 13.81, Stats.

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APPENDIX 2

**CAPTURE OF FEDERAL RESOURCES,
SPECIAL COMMITTEE ON**

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STUDY ASSIGNMENT: The Committee is directed to study means by which the amount of federal funding or expenditures entering Wisconsin can be increased. The Special Committee shall report its recommendations to the Joint Legislative Council by May 1, 1999. [Based on a June 8, 1998 letter from Rep. Tom Sykora.]
Established and Chairperson appointed by a June 24, 1998 mail ballot; members appointed by a September 4, 1998 mail ballot.

16 MEMBERS: 2 Senators; 3 Representatives; 10 Public Members; and 1 Nonvoting Agency Member.

LEGISLATIVE COUNCIL STAFF: Richard Sweet, Senior Staff Attorney; Dan Fernbach, Senior Staff Attorney; and Wendy Ulrich, Administrative Staff.

(1) Originally appointed as an Assembly member; appointed to continue as a Public Member by a December 10, 1998 mail ballot.

(2) Resigned from the Legislature on January 29, 1999.

APPENDIX 3

LETTERS REGARDING NONSTATUTORY

RECOMMENDATIONS OF THE COMMITTEE

State of Wisconsin
JOINT LEGISLATIVE COUNCIL

**Special Committee on
Capture of Federal Resources**
Representative Tom Sykora
Chairperson



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April 26, 1999

The Honorable Tommy G. Thompson
Governor of Wisconsin
Room 115 East, State Capitol
Madison, WI 53702

Dear Governor Thompson:

I am writing to you as the Chairperson of the Joint Legislative Council's Special Committee on Capture of Federal Resources. A list of Committee members is enclosed.

As you are aware, in May 1998, the Department of Administration (DOA) issued a report, *Federal Funding in Wisconsin: A Comparative Perspective* (copy enclosed), indicating that while Wisconsin is the 18th most populous state in the nation, we have ranked 50th in per capita federal spending for the last several years. The report states that, except for the State of Minnesota, "Wisconsin fares much worse . . . [in] overall per capita federal spending than any other state with a similar population."

In light of these findings, the Special Committee is recommending a bill draft (copy enclosed) to the Joint Legislative Council which authorizes the DOA to hire a consultant to study the operations of Wisconsin's State-Federal Relations office in Washington, D.C., as well as the lobbying efforts of other states, and then make recommendations to enhance Wisconsin's ability to capture our "fair share" of federal spending in comparison with other states.

In addition to the above legislation, the Special Committee, at its January 20, 1999 meeting, directed me to formally request that you and DOA Secretary Mark Bugher take action to begin a process that would enable the state to obtain a more equitable percentage of federal funding and other federal resources.

Specifically, the Special Committee is requesting that the DOA, through its personnel in our Washington, D.C. office and the Federal-State Relations Section here in Madison, identify and make contact with other states that are similarly situated and to work with public officials from those states in a concerted effort to obtain more favorable treatment under certain federal funding and reimbursement formulas, based on population, poverty levels, children at-risk or other measurements, that currently put Wisconsin and other similarly situated states at a disadvantage, such as Medical Assistance and Medicare.

The Special Committee believes that, in addition to concerted action by our own congressional delegation, concerted action by the so-called “donor states” is also necessary to obtain more favorable treatment under federal funding formulas. Working together with similarly situated states would increase Wisconsin’s bargaining power in Washington.

Thank you for your consideration of the Special Committee’s recommendation.

Sincerely yours,

Representative Thomas Sykora
Chairperson, Special Committee on Capture
of Federal Resources

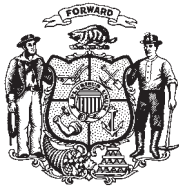
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Enclosures

cc: Secretary Mark Bugher, DOA

State of Wisconsin
JOINT LEGISLATIVE COUNCIL

**Special Committee on
Capture of Federal Resources**
Representative Tom Sykora
Chairperson



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April 26, 1999

Secretary Mark Bugher
Department of Administration
P.O. Box 7864
Madison, WI 53707-7864

Dear Secretary Bugher:

I am writing to you in my capacity as chairperson of the Joint Legislative Council's Special Committee on Capture of Federal Resources. The Committee was established in 1998 and directed to study means by which the amount of federal funding or expenditures entering Wisconsin can be increased. The Committee began meeting in the Fall of 1998 and recently completed its work. (A list of Committee members is enclosed.)

I am writing to you with regard to two recommendations that affect the Department of Administration:

First, the Committee recommends the standardization of state grant application forms. This should occur within state agencies and across all state agencies to the extent possible. Discussion during the Committee's deliberations indicated that the federal government does this to a greater extent than the state government does. Increased standardization would be beneficial to municipalities, school districts, nonprofit and for-profit entities and individuals applying for state funds.

Second, the Committee recommends the streamlining of the process by which approval of the Governor must be obtained before an application for federal funding is submitted to the federal government. Under s. 16.54 (5), Stats., when an agency of the federal government requires a state agency to submit a budget, plan, application or other project proposal as a condition of receiving federal funds, the budget, plan, application or proposal must, before it is submitted to federal authorities for approval, be approved by the Governor and reported to the

Joint Committee on Finance. The Committee encourages the Department of Administration to streamline this process and prioritize approval of applications. In submitting applications for approval of the Governor, state agencies should indicate the date by which they need the approval in order to apply for the federal funds. The Committee is concerned that the state not lose available federal funds by missing an application deadline because prior approval of the Governor was not obtained in time.

Thank you for your consideration of the Committee's recommendations. I look forward to your response.

Sincerely yours,

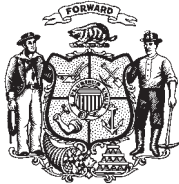
Representative Thomas Sykora
Chairperson, Special Committee on Capture
of Federal Resources

TS:rv:tlu;ksm

Enclosure

State of Wisconsin
JOINT LEGISLATIVE COUNCIL

**Special Committee on
Capture of Federal Resources**
Representative Tom Sykora
Chairperson



Committee Staff:
One East Main Street, Suite 401
P.O. Box 2536
Madison, WI 53701-2536
Telephone: (608) 266-1304
Fax: (608) 266-3830
Email: leg.council@legis.state.wi.us

April 26, 1999

Secretary Joseph Leean
Department of Health and Family Services
One West Wilson Street, Room 650
Madison, WI 53703

Dear Secretary Leean:

I am writing to you in my capacity as chairperson of the Joint Legislative Council's Special Committee on Capture of Federal Resources. The Committee was established in 1998 and directed to study means by which the amount of federal funding or expenditures entering Wisconsin can be increased. The Committee began meeting in the Fall of 1998 and recently completed its work. (A list of Committee members is enclosed.)

In May 1998, the Department of Administration issued a report, *Federal Funding in Wisconsin: A Comparative Perspective* (copy enclosed), indicating that while Wisconsin is the 18th most populous state in the nation, we have ranked 50th in per capita federal spending for the last several years. The report states that, except for the State of Minnesota, "Wisconsin fares much worse . . . [in] overall per capita federal spending than any other state with a similar population."

I am writing to you with regard to three recommendations that affect the Department of Health and Family Services (DHFS):

1. The Committee recommends that DHFS make Medicare equity a state priority by designating one or more employees to work on coordinating efforts to reform federal Medicare reimbursement formulas. In doing so, DHFS should work with Wisconsin's Federal-State Relations Office in Washington, D.C., Wisconsin's Congressional Delegation and interested groups and individuals in Wisconsin.

2. The Committee recommends that DHFS take all reasonable steps to expedite designation of health professional shortage areas (HPSAs). A quicker review process for designation of HPSAs could result in community, migrant and homeless health centers being able to have greater access to federal grant funds and National Health Service Corps providers. DHFS should consider diverting other resources to designation of HPSAs in an effort to expedite the process.

3. The Committee recommends that DHFS prepare a report on inequities of health benefits throughout the state and methods to address those inequities. Committee members expressed concern regarding inequities based on rural and urban considerations, family composition and racial and ethnic groups. Since the Committee has completed its deliberations, I would appreciate it if you could forward a copy of the report to my office and to the Legislative Council Staff for distribution to persons who served on or followed the work of the Committee.

Thank you for your consideration of the Committee's recommendations. I look forward to your response.

Sincerely,

Representative Thomas Sykora
Chairperson, Special Committee on Capture
of Federal Resources

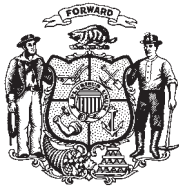
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Enclosures

cc: Schuyler Baab, Wisconsin Office of Federal-State Relations

State of Wisconsin
JOINT LEGISLATIVE COUNCIL

**Special Committee on
Capture of Federal Resources**
Representative Tom Sykora
Chairperson



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April 26, 1999

Dr. Albert J. Beaver
Interim Chancellor
University of Wisconsin-Extension
Extension Building, Room 527
Madison, WI 53706

Dear Dr. Beaver:

I am writing to you as the Chairperson of the Joint Legislative Council's Special Committee on Capture of Federal Resources. A list of Committee members is enclosed.

In May 1998, the Department of Administration issued a report, *Federal Funding in Wisconsin: A Comparative Perspective* (copy enclosed), indicating that while Wisconsin is the 18th most populous state in the nation, we have ranked 50th in per capita federal spending for the last several years. The report states that, except for the State of Minnesota, "Wisconsin fares much worse . . . (in) overall per capita federal spending than any other state with a similar population."

At its February 26, 1999 meeting, the Special Committee considered several bill drafts for recommendation to the Joint Legislative Council to address this problem. One of the bill drafts, WLCS: 0046/1 (copy enclosed) would, among other things, require the University of Wisconsin (UW)-Extension to assist municipalities in identifying federal grants for which they may be eligible and in applying for those grants, including the provision of training in grant writing.

At that meeting, the Committee considered several amendments to the draft, including language requiring assistance to be provided within the limits of the UW-Extension's available resources, authorizing fees to be charged for training and including nonprofit organizations as entities which also may receive assistance in applying for federal grants.

Ultimately, the Committee became uncomfortable with imposing a statutory mandate on the UW-Extension that could not be supported with state funding. As a result, they deleted the role of the UW-Extension from the provisions of the draft and requested that I correspond with you to urge that the above-described activities be undertaken on a voluntary basis.

Therefore, I am formally requesting that the UW-Extension develop a program to assist municipalities and nonprofit organizations in identifying available federal grants and other sources of federal funding for which those entities are eligible, and to assist them in applying for such funding, including training in grant writing. The Committee believes that the availability of this type of state assistance and training would be an important step in any effort to enhance the level of federal spending in Wisconsin.

Thank you for your consideration of the Committee's request. I look forward to your response.

Sincerely yours,

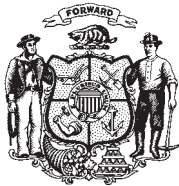
Representative Thomas Sykora
Chairperson, Special Committee on
Capture of Federal Resources

TS:kjf:ksm;jal

Enclosures

State of Wisconsin
JOINT LEGISLATIVE COUNCIL

**Special Committee on
Capture of Federal Resources**
*Representative Tom Sykora
Chairperson*



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May 4, 1999

Senator Herb Kohl
330 Hart Senate Office Bldg.
Washington, D.C. 20510

Senator Russell Feingold
716 Hart Senate Office Bldg.
Washington, D.C. 20510

Representative Tammy Baldwin
1020 Longworth House Office Bldg.
Washington, D. C. 20515

Representative David Obey
2314 Rayburn House Office Bldg.
Washington, D.C. 20515

Representative Thomas Barrett
1214 Longworth House Office Bldg.
Washington, D.C. 20515

Representative Thomas Petri
2462 Rayburn House Office Bldg.
Washington, D. C. 20515

Representative Mark Green
1218 Longworth House Office Bldg.
Washington, D.C. 20515

Representative Paul Ryan
1217 Longworth House Office Bldg.
Washington, D. C. 20515

Representative Ron Kind
1713 Longworth House Office Bldg.
Washington, D.C. 20515

Representative James F. Sensenbrenner, Jr.
2332 Rayburn House Office Bldg.
Washington, D. C. 20515

Representative Gerald Kleczka
2301 Rayburn House Office Bldg.
Washington, D.C. 20515

Mr. Schuyler Baab, Director
Wisconsin Office of Federal-State
Relations
444 North Capitol Street, Suite 613
Washington, D.C. 20001

Dear Members of the Wisconsin Congressional Delegation and Mr. Baab:

I am writing to you in my capacity as chairperson of the Joint Legislative Council's Special Committee on Capture of Federal Resources. The Committee was established in 1998 and

directed to study means by which the amount of federal funding or expenditures entering Wisconsin can be increased. The Committee began meeting in the Fall of 1998 and recently completed its work. (A list of Committee members is enclosed.)

In May 1998, the Wisconsin Department of Administration issued a report, *Federal Funding in Wisconsin: A Comparative Perspective* (copy enclosed), indicating that while Wisconsin is the 18th most populous state in the nation, we have ranked 50th in per capita federal spending for the last several years. The report states that, except for the State of Minnesota, "Wisconsin fares much worse . . . [in] overall per capita federal spending than any other state with a similar population."

I am writing to you with regard to five recommendations that affect the Wisconsin Office of Federal-State Relations and our state's Congressional Delegation:

1. The Committee recommends that efforts be made at the federal level to consolidate funding for programs that address the same issues. It would be helpful for persons in state and local government and other persons if the multitude of programs that address the same issues could be reduced through consolidation.

2. The Committee recommends that the federal government use block grants to states for distribution of funds to local units of government and that the distribution formulas place more emphasis on the number of individuals served by programs than on other factors. Decisions as to where the greatest need for the funds is could be left to the state in distributing the block grant funds to local units of government.

3. The Committee recommends that the Office of Federal-State Relations and the Congressional Delegation work together with the Wisconsin Coastal Management Program in obtaining federal Coastal Services Center funding.

4. The Committee recommends that Wisconsin work with other farm states to shift the cost of the ethanol subsidy from the highway trust fund to general funds, thereby involving all states in sharing its costs. Since the amount that a state receives in federal transportation funding is increasingly related to the amount that the state sends to the federal government in gasoline tax, a reduced tax on ethanol penalizes Wisconsin and similarly situated states. Efforts should be made to recognize this in distribution of federal funding to states. Without a solution, Wisconsin could lose as much as \$50 million to \$75 million per year.

5. The Committee recommends that Wisconsin work with other midwestern states to develop an integrated midwest network of high-speed rail lines. Committee discussion indicated that such rail lines are available in other parts of the country and would be beneficial to midwestern states.

The Committee supports having members of Wisconsin's Congressional Delegation work with each other and with the Wisconsin Office of Federal-State Relations on these and other issues that may be beneficial to the state.

Thank you for your consideration of the Committee's recommendations. I look forward to your response.

Sincerely,

Representative Thomas Sykora
Chairperson, Special Committee on Capture
of Federal Resources

TS:jal:ksm;wu

Enclosures

cc: Secretary Mark Bugher, Wisconsin Department of Administration

APPENDIX 4

COMMITTEE MATERIALS

Staff Materials

1. Memo No. 1, *Summary of Recommendations Offered for Committee Discussion* (December 9, 1998).
2. Memo No. 2, *Summary of Recommendations and Possible Committee Action* (January 13, 1999).
3. Letter, from Representative Tom Sykora, Chairperson, to Governor Tommy G. Thompson (April 26, 1999).
4. Letter, from Representative Tom Sykora, Chairperson, to Secretary Mark Bugher, Department of Administration (DOA) (April 26, 1999).
5. Letter, from Representative Tom Sykora, Chairperson, to Secretary Joseph Leean, Department of Health and Family Services (DHFS) (April 26, 1999).
6. Letter, from Representative Tom Sykora, Chairperson, to Dr. Albert Beaver, Interim Chancellor, University of Wisconsin-Extension (April 26, 1999).
7. Letter, from Representative Tom Sykora, Chairperson, to members of the Wisconsin Congressional Delegation and Schuyler Baab, Director, Wisconsin Office of Federal-State Relations (May 4, 1999).

Other Materials

1. *Federal Funding in Wisconsin: A Comparative Perspective*, prepared by DOA (May 1998).
2. Testimony submitted by Rick Chandler, Director, Division of Executive Budget and Finance, and Jeff Smith, Chief, Federal-State Relations, DOA (October 14, 1998).
3. *Federal Expenditures by State for Fiscal Year 1997*, U.S. Department of Commerce, Bureau of the Census (April 1998).
4. *The Federal Budget and the States, Fiscal Year 1996*, John F. Kennedy School of Government, Harvard University (October 8, 1997).
5. Memorandum, *Follow-up to the 10/14/98 Study Committee on Federal Resources Meeting*, from Jeff Smith, Chief, Federal-State Relations, DOA (November 4, 1998).
6. Memorandum, *Quarterly Report*, from Schuyler Baab, Director, Wisconsin Office of Federal-State Relations, Washington, D.C. (October 30, 1998).
7. Testimony submitted by Rod Clark, Director, Bureau of Transit and Local Roads, Department of Transportation (November 18, 1998).

8. Table, *Department of Workforce Development Major Federal Fund Sources* (November 17, 1998).

9. *Wisconsin Community, Migrant and Homeless Health Center Fact Sheet*, submitted by Frederic E. Moskol, Director, Wisconsin Office of Rural Health (November 18, 1998).

10. Map showing the community, migrant and homeless health centers in Wisconsin, submitted by Frederic E. Moskol, Director, Wisconsin Office of Rural Health (November 18, 1998).

11. Testimony submitted by Peter Kilde, Executive Director, WestCAP, and President, Wisconsin Community Action Program Association (November 18, 1998).

12. *Medicare: A \$2 Billion State Biennial Shortfall*, submitted by Tim Size, Executive Director, Rural Wisconsin Health Cooperative (November 18, 1998).

13. Testimony submitted by Earnestine Willis, MD, MPH; Associate Professor, Medical College of Wisconsin; and Director, Center for the Advancement of Urban Children (November 18, 1998).

14. Proposal for the establishment of a special medical education trust fund, submitted by William D. Petasnick, President, Froedtert Memorial Lutheran Hospital (November 18, 1998).

15. Testimony submitted by the Wisconsin Health and Hospital Association, *Use of the Intergovernmental Transfer Program to Leverage More Federal Funds for the General Assistance Medical Program, Milwaukee County* (November 18, 1998).

16. Testimony submitted by U.S. Representative-Elect Mark Green (November 18, 1998).

17. *Schedule of Federal Funds Received for the Year Ended June 30, 1997*, submitted by DHFS (November 18, 1998).

18. *1997-98 Wisconsin Total Budget by State Agency; 1997-98 Wisconsin Federal Budget by State Agency; 1997-98 DHFS Total Budget by Fund Source; and DHFS Federal Revenue*, submitted by DHFS (November 18, 1998).

19. *UW-Madison's Success = State of Wisconsin's Success*, submitted by Virginia S. Hinshaw, Dean of the Graduate School/Senior Research Officer; and *Federal Opportunities for Wisconsin*, submitted by Donald Kettl, Director, LaFollette Institute (November 18, 1998).

20. *Federal Funds Received for Fiscal Year 1999*, submitted by John T. Benson, State Superintendent, Department of Public Instruction (November 18, 1998).

21. Letter, from Nancy J. Mitchell, Executive Assistant, Office of U.S. Senator Russell D. Feingold (November 19, 1998).

22. Portions of Audit Report 98-12, *An Audit: State of Wisconsin*, Legislative Audit Bureau (July 1998).

23. Letter, from former State Auditor Dale Cattnach to former Representative Mary Lazich (June 3, 1997).
24. Recommendations submitted by Representative Tom Sykora, Chairperson (December 2, 1998).
25. Recommendations submitted by Representative Suzanne Jeskewitz (November 25, 1998).
26. Recommendations submitted by Senator Margaret Farrow (undated).
27. Recommendations submitted by Carol Shapiro, Winneconne School Board (undated).
28. Recommendations submitted by Tom Walker, Wisconsin Transportation Builders Association (December 1, 1998).
29. Recommendations submitted by Sarah Lewis, Wisconsin Primary Health Care Association (November 30, 1998).
30. Recommendations submitted by Mark Reiland, DataTech Research (December 1, 1998).
31. Recommendations submitted by Kathy Potos, Blue Cross & Blue Shield United of Wisconsin (December 2, 1998).
32. Memorandum from Byron Hawkins, President, Lake States Lumber Association (December 16, 1998). (Distributed to Committee Members only.)
33. *The Federal Budget and the States Fiscal Year 1997*, by Jay H. Walder and Herman B. Leonard, Harvard University, John F. Kennedy School of Government, A. Alfred Taubman Center for State and Local Government (undated).
34. Letter, from Kevin Lewis, DHFS (February 19, 1999).
35. Letter, from John Montgomery, Deputy State Budget Director, DOA (February 24, 1999).
36. Letter, from Nadine Gratz, Wisconsin Health & Hospital Association (February 26, 1999).